



UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA

June 2022 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

CYNTHIA ANN HERNANDEZ,  
aka "Cynthia Roberts,"

Defendant.

ED CR 5:22-cr-00217-MCS

I N D I C T M E N T

[18 U.S.C. § 1341: Mail Fraud;  
18 U.S.C. § 1029(a)(5): Access  
Device Fraud in Excess of \$1,000;  
18 U.S.C. § 1028A(a)(1):  
Aggravated Identity Theft; 18  
U.S.C. §§ 981, 982 and 1029, and  
28 U.S.C. § 2461(c): Criminal  
Forfeiture]

The Grand Jury charges:

COUNTS ONE THROUGH FOUR

[18 U.S.C. §§ 1341, 2(a), 2(b)]

A. INTRODUCTORY ALLEGATIONS

At times relevant to this Indictment:

1. California's Employment Development Department ("EDD") was the administrator of the unemployment insurance ("UI") benefits program for the State of California.

2. On March 13, 2020, the President of the United States declared COVID-19 an emergency under the Robert T. Stafford Disaster

1 Relief and Emergency Assistance Act. As a result, Congress passed  
2 the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"),  
3 which the President signed into law on March 27, 2020. The CARES Act  
4 provided over \$2 trillion in economic relief protections to the  
5 American people from the public health and economic impacts of COVID-  
6 19.

7 3. Prior to the enactment of the CARES Act, to be eligible for  
8 UI benefits administered by EDD, a person had to have been employed  
9 and worked in California and received at least a certain amount of  
10 wages from an employer in the 18 months preceding his/her UI benefits  
11 claim. Because of this requirement, self-employed workers,  
12 independent contractors, and employees with insufficient earnings  
13 were not eligible to receive regular UI benefits.

14 4. The CARES Act established a new program – Pandemic  
15 Unemployment Assistance ("PUA") – to provide UI benefits during the  
16 COVID-19 pandemic to people who did not qualify for regular UI  
17 benefits, including business owners, self-employed workers,  
18 independent contractors, and those with a limited work history, who  
19 were out of business or had significantly reduced their services as a  
20 direct result of the pandemic. UI benefits provided under the PUA  
21 program were sometimes referred to as PUA benefits.

22 5. Under the PUA provisions of the CARES Act, a person who was  
23 a business owner, self-employed worker, independent contractor, or  
24 gig worker could qualify for PUA benefits administered by EDD if  
25 he/she previously performed such work in California and was  
26 unemployed, partially unemployed, unable to work, or unavailable to  
27 work due to a COVID-19-related reason.

1           6.     Persons applying for PUA benefits did not need to submit  
2 any supporting documents to EDD with their applications. Claimants  
3 reported their total income for the 2019 calendar year on the  
4 application. The stated income was used to calculate the benefits to  
5 be paid, which were at least \$167 per week.

6           7.     A PUA benefits claimant was required to answer various  
7 questions on his/her application to establish his/her eligibility for  
8 the benefits. The claimant was required to provide his/her name,  
9 Social Security Number, and mailing address. The claimant was also  
10 required to identify a qualifying occupational status and COVID-19  
11 related reason for being out of work.

12           8.     After it accepted an application for UI benefits, including  
13 an application submitted pursuant to the PUA program, EDD typically  
14 deposited UI funds every two weeks to an Electronic Bill Payment  
15 ("EBP") debit card administered by Bank of America ("BofA"), which  
16 the claimant could use to pay for his/her expenses. The EBP debit  
17 card was mailed via the United States Postal Service from BofA to the  
18 claimant at the address the claimant provided as his/her mailing  
19 address on his/her UI benefits application.

20     B.     THE SCHEME TO DEFRAUD

21           9.     Beginning no later than June 2020 and continuing through at  
22 least August 2020, in San Bernardino County, within the Central  
23 District of California, and elsewhere, defendant CYNTHIA ANN  
24 HERNANDEZ, also known as "Cynthia Roberts," together with others  
25 known and unknown to the Grand Jury, knowingly and with the intent to  
26 defraud, devised, participated in, and executed a scheme to defraud  
27 EDD and the United States Treasury as to material matters, and to  
28 obtain money and property from EDD and the United States Treasury,

1 namely, UI benefits, including PUA benefits, by means of material  
2 false and fraudulent pretenses, representations, and promises, and  
3 the concealment of material facts.

4 10. The fraudulent scheme operated, in substance, as follows:

5 a. Defendant HERNANDEZ and her co-schemers filed and  
6 caused to be filed with EDD fraudulent applications for UI benefits  
7 in the names of other persons, namely, persons incarcerated in  
8 California state prisons.

9 b. Defendant HERNANDEZ and her co-schemers falsely stated  
10 and represented, and caused to be falsely stated and represented, on  
11 the UI benefits applications that were filed with EDD that the named  
12 claimants were individuals whose employment had been negatively  
13 affected by the COVID-19 pandemic, thereby triggering eligibility for  
14 UI benefits under the PUA provision of the CARES Act.

15 c. Defendant HERNANDEZ and her co-schemers falsely stated  
16 and represented, and caused to be falsely stated and represented, on  
17 the UI benefits applications that were filed with EDD that the named  
18 claimants resided and had worked in the State of California,  
19 including in Los Angeles County and Orange County, within the Central  
20 District of California.

21 d. By falsely stating that the named claimants had worked  
22 in the State of California, defendant HERNANDEZ and her co-schemers  
23 falsely represented and caused to be falsely represented that the  
24 named claimants were eligible for UI benefits administered by EDD  
25 when, as defendant HERNANDEZ then knew, they were not eligible for  
26 such benefits.

27 e. As a result of the fraudulent UI benefits applications  
28 that defendant HERNANDEZ and her co-schemers filed and caused to be

1 filed, EDD authorized BofA to issue EBP debit cards in the names of  
2 the named claimants.

3 f. To ensure that they received the UI benefits that were  
4 paid as a result of the fraudulent applications, defendant HERNANDEZ  
5 and her co-schemers listed and caused to be listed on the  
6 applications for the UI benefits defendant HERNANDEZ's mailing  
7 address. Defendant HERNANDEZ knew that, by doing so, defendant  
8 HERNANDEZ and her co-schemers would cause BofA to mail the EBP debit  
9 cards issued to the named claimants to her address, thereby enabling  
10 defendant HERNANDEZ and her co-schemers to take possession of the EBP  
11 debit cards.

12 g. After defendant HERNANDEZ received the EBP debit cards  
13 issued as a result of the fraudulent UI benefits applications that  
14 she and her co-schemers submitted and caused to be submitted to EDD,  
15 defendant HERNANDEZ used the debit cards and caused the debit cards  
16 to be used to withdraw the UI benefits loaded onto the debit cards by  
17 making cash withdrawals at Automated Teller Machines and at banking  
18 centers.

19 11. Through this scheme, defendant HERNANDEZ and her co-  
20 schemers caused at least approximately 29 fraudulent applications for  
21 PUA benefits to be filed with EDD resulting in losses to EDD and the  
22 United States Treasury of approximately \$515,138.

23 C. USE OF THE MAILS

24 12. On or about the dates set forth below, within the Central  
25 District of California and elsewhere, defendant HERNANDEZ and her co-  
26 schemers, aiding and abetting each other, for the purpose of  
27 executing the above-described scheme to defraud, willfully caused the  
28 following items to be placed in an authorized depository for mail

matter to be sent and delivered by the United States Postal Service,  
according to the directions thereon:

COUNT	DATE	ITEM MAILED
ONE	8/5/2020	EBP debit card for an account in the name of J.V. ending in 5503 sent by U.S. Mail from BofA to 15486 Guava Way, Victorville, CA 93551
TWO	8/5/2020	EBP debit card for an account in the name of M.G. ending in 9049 sent by U.S. Mail from BofA to 15486 Guava Way, Victorville, CA 93551
THREE	8/10/2020	EBP debit card for an account in the name of E.T. ending in 0301 sent by U.S. Mail from BofA to 15486 Guava Way, Victorville, CA 93551
FOUR	8/22/2020	EBP debit card for an account in the name of R.R. ending in 8942 sent by U.S. Mail from BofA to 15486 Guava Way, Victorville, CA 93551

## COUNT FIVE

[18 U.S.C. § 1029(a)(5)]

13. The Grand Jury hereby realleges and incorporates by reference paragraphs 1 through 11 of this Indictment as though fully set forth herein.

14. Beginning on or about August 12, 2020, and continuing through on or about September 23, 2020, in San Bernardino County, within the Central District of California, and elsewhere, defendant CYNTHIA ANN HERNANDEZ, also known as "Cynthia Roberts," with access devices (as defined in Title 18, United States Code, Sections 1029(e)(1)) issued to other people, specifically, the following debit card account numbers issued to the persons identified below, knowing and with intent to defraud, effected transactions in and affecting interstate and foreign commerce, and by such conduct obtained things of value totaling at least \$1,000 during a one-year period:

UNAUTHORIZED ACCESS DEVICE	ISSUED TO
BofA account number ending in 5503	J.V.
BofA account number ending in 0301	E.T.
BofA account number ending in 9049	M.G.
BofA account number ending in 8942	R.R.

## COUNTS SIX AND SEVEN

[18 U.S.C. §§ 1028A(a) (1), 2(a), 2(b)]

15. The Grand Jury hereby realleges and incorporates by reference paragraphs 1 through 11 of this Indictment as though fully set forth herein.

16. On or about the dates set forth below, in San Bernardino County, within the Central District of California, and elsewhere, defendant CYNTHIA ANN HERNANDEZ, also known as "Cynthia Roberts," and others known and unknown to the Grand Jury, each aiding and abetting the others, knowingly transferred, possessed and used, and willfully caused to be transferred, possessed, and used, without lawful authority, the means of identification set forth below that defendant HERNANDEZ knew belonged to another person, during and in relation to the commission of the following felony offenses:

COUNT	DATE	MEANS OF IDENTIFICATION	FELONY VIOLATION
SIX	7/20/2020	Name and Social Security Number of J.V.	COUNT ONE, in violation of Title 18, United States Code, Section 1343
SEVEN	8/12/2020 through 9/23/2020	BofA account numbers assigned to J.V., E.T., M.G., and R.R.	COUNT FIVE, in violation of Title 18, United States Code, Section 1029(a) (5)



FORFEITURE ALLEGATION ONE

[18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c)]

1. Pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure, notice is hereby given that the United States of America will seek forfeiture as part of any sentence, pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and 924 and Title 28, United States Code, Section 2461(c), in the event of the defendant's conviction of the offenses set forth in any of Counts One through Four and Six of this Indictment.

2. The defendant, if so convicted, shall forfeit to the United States of America the following property:

(a) All right, title and interest in any and all property, real or personal, constituting, or derived from, any proceeds traceable to any such offense;

(b) All right, title, and interest in any firearm or ammunition involved in or used in or used in any such offense; and

(c) To the extent such property is not available for forfeiture, a sum of money equal to the total value of the property described in subparagraphs (a) and (b).

3. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c), the defendant, if so convicted, shall forfeit substitute property, up to the total value of the property described in the preceding paragraph if, as the result of any act or omission of the defendant, the property described in the preceding paragraph, or any portion thereof: (a) cannot be located upon the exercise of due diligence; (b) has been transferred, sold to or deposited with a third party; (c) has been placed beyond the jurisdiction of the court; (d) has

1 been substantially diminished in value; or (e) has been commingled  
2 with other property that cannot be divided without difficulty.

FORFEITURE ALLEGATION TWO

[18 U.S.C. §§ 982 and 1029]

1 Pursuant to Rule 32.2(a) of the Federal Rules of Criminal  
2 Procedure, notice is hereby given that the United States will seek  
3 forfeiture as part of any sentence, pursuant to Title 18, United  
4 States Code, Sections 982(a)(2) and 1029, in the event of the  
5 defendant's conviction of the offenses set forth in either of Counts  
6 Five or Seven of this Indictment.  
7

8  
9 2. The defendant, if so convicted, shall forfeit to the United  
10 States of America the following:

11 (a) All right, title, and interest in any and all  
12 property, real or personal, constituting, or derived from, any  
13 proceeds obtained, directly or indirectly, as a result of the  
14 offense;

15 (b) Any personal property used or intended to be used to  
16 commit the offense; and

17 (c) To the extent such property is not available for  
18 forfeiture, a sum of money equal to the total value of the property  
19 described in subparagraphs (a) and (b).

20 3. Pursuant to Title 21, United States Code, Section 853(p),  
21 as incorporated by Title 18, United States Code, Sections 982(b)(1)  
22 and 1029(c)(2), the defendant, if so convicted, shall forfeit  
23 substitute property, up to the total value of the property described  
24 in the preceding paragraph if, as the result of any act or omission  
25 of the defendant, the property described in the preceding paragraph,  
26 or any portion thereof: (a) cannot be located upon the exercise of  
27 due diligence; (b) has been transferred, sold to or deposited with a  
28 third party; (c) has been placed beyond the jurisdiction of the

1 court; (d) has been substantially diminished in value; or (e) has  
2 been commingled with other property that cannot be divided without  
3 difficulty.

4 A TRUE BILL

5 /s/  
6 \_\_\_\_\_  
Foreperson

7 STEPHANIE S. CHRISTENSEN  
Acting United States Attorney

8 

9 SCOTT M. GARRINGER  
10 Assistant United States Attorney  
11 Chief, Criminal Division

12 DAVID T. RYAN  
Assistant United States Attorney  
13 Deputy Chief, General Crimes Section

14 SOLOMON KIM  
Assistant United States Attorney  
15 Terrorism and Export Crimes Section